

THE ROLE OF CUSTOMER'S STATUS CONSUMPTION AND SATISFACTION ON REPURCHASE INTENTION

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ABSTRACT

This study tries to analyse the influence of status consumption and customer satisfaction on re-purchase intention with respect to branded footwear industry in India. The sample was drawn from select top branded footwear outlets in Hyderabad region. Structured Questionnaires were designed for the study and was administered on respondents consisting of buyers visiting the store more than one time. The results proved that status consumption and customer satisfaction have a significant influence on behavioural intentions while satisfaction made a higher impact. So the study concludes that marketing managers of branded footwear stores should design and develop efficient methods to enhance the behavioural intentions of customers. The results also indicated that gender and educational qualification of the buyers had no impact on repurchase intentions. The implications, limitations and scope of future research of the study are further discussed.

KEYWORDS: Status Consumption, Customer Satisfaction & Repurchase Intention

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INTRODUCTION

In the present scenario of emergent globalization, increasing differentiation and cut throat competition, the organizations are rising markets by crafting their brands and developing brand characteristics. Gradually, brands are perceived to be important in creating a sense of accomplishment, an individuality, and identification in the consumers.

It is also apparent that some of the dimensions of the brand lead to improved market acknowledgement and success as an outcome of the value that buyers place on them. (O'cass & McEwen, 2004)

An organization's economic supremacy is normally understood by the power of its brand. The brand differentiates itself from the rest and thus yields status to its customers. This suggests that the status consumption of consumers is key in building associations between buyers who have such characteristics and particular brands that yield status (O'cass & McEwen, 2004). The literature also suggests that status consumptions normally occur with products that are openly noticeable and the customers can enjoy the pride of showing them off. The studies also suggest that such pride matures into repurchase intention of the same product or service. (Chao & Schor, 1998)

Consumer satisfaction is an attitude of the consumer towards a product or service. It can be defined as a cognitive or emotional reaction associated with a certain expectation at a particular time. Consumer satisfaction be determined by the assessment between the original expectation and the actual result. If the quality of the product and service provided at the store are more or same as the perceived, the customer will be satisfied. A satisfied customer remains more loyal and thus end up repurchasing the product or service. (Espejel, Fandos, & Flavian, 2008)

Thus, it is evident from the above discussion that theoretically both status consumption and customer satisfaction impact customer's repurchase intention and so this study strives to contribute to the literature by empirically examining the influence of status consumption and customer satisfaction on repurchase intention.

Research Gap and Conceptual Framework

Though the concept has been discussed widely in the texts, very few or no empirical studies were found in literature on measuring the influence of both status consumption and customer satisfaction on repurchase intention. Thus, a conceptual model was developed based on the gap identified which is shown in Figure 1.

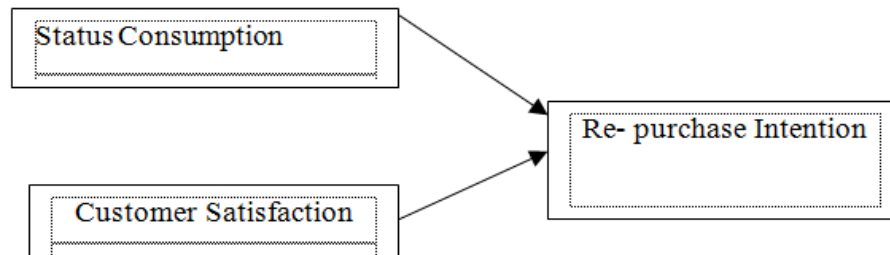


Figure 1: Conceptual Model for the Study

Research Objective

From the understanding of the prevailing literature, the acknowledged research gap and the developed model it is evident that, the objective of the study is

- To identify the influence of status consumption and customer satisfaction on re-purchase intention.

Research Hypotheses

The following hypotheses can be empirically tested to prove the above research objective:

H1: Status consumption positively influences re-purchase intention of branded footwear.

H2: Customer satisfaction has a positive effect on re-purchase intention of branded footwear.

H3: Gender has an association with re-purchase intention of branded footwear.

H4: Educational qualification has a link with re-purchase intention of branded footwear.

Methodology

Population

The branded Footwear sector was chosen as population for the study. This sector has been selected as there is enough evidence from previous literature that branded footwear sector is developing awareness and brand consciousness among people across different socio-economic classes in the urban and semi-urban retail markets and its merchandises are considered as a status symbol in India and also they are striving very hard to provide great customer service to enhance satisfaction among its buyers and thus maintain its market share. It has also been found in literature that Indian branded footwear industry is witnessing significant growth.

Sampling Frame

Four top profit making branded footwear companies with its presence in India and abroad were chosen for the

study, namely PUMA, NIKE, ADIDAS, REEBOK. The survey was administered on the sample at leading outlets of these brands in Hyderabad region. The customers who have bought merchandise of the same brand more than once were selected as an eligible respondent as repurchase intention is being measured in this study.

Measures Used

The Status consumption scale having five items was adapted from Eastman, Goldsmith, and Flynn (1999), customer satisfaction and re-purchase intention scale having three items each was adapted from Casaló, Flavián, and Guinalfú (2008). Some necessary changes in the measure were made to suit the industry and need of this study. The eleven item questionnaire used a five-point Likert scale style of measurement. Demographic details such as the footwear brand, gender of the respondent and educational qualifications were also included in the survey form. A detailed description of the purpose of the study and the type of information requested was provided in the cover letter. The cover letter also included a promise of confidentiality and instructions on how to complete the questionnaire.

Sampling Procedure

A sample was drawn using non-probabilistic purposive sampling technique.

Method and Duration of Data Collection

A survey based method was adopted to collect the data from the sample which lasted for over ten weeks (i. e., July 2018 to August 2018). The survey form was administered to four hundred criteria meeting respondents through print media and respondents were asked to return the form in either print or soft print form. Two hundred and forty forms were collected at the end of the ten week period out of which two hundred and six survey forms were found to be complete and usable in all aspects. The response- rate of the survey was 51.50%, which was within the average range of standard response rate of academic and organisational research (Baruch, 1999; Baruch & Holtom, 2008).

Demographic Details of the Sample

The Demographic Details of the respondents are presented in the **Table 1**. It was observed that out of the total sample, 67.9% of the respondents were male and 32.02% were female. 29.61% respondents were found to be Under Graduates, 44.17% respondents were found to be Graduates and 26.21% were Post Graduates. The sample from all the footwear brands were taken proportionally as shown in Table I to avoid bias in the study.

Table 1: Demographic Details of the Sample

Gender	Male	140	Footwear Brand	PUMA,	50
	Female	66		NIKE,	52
Qualification	Under Graduate	61		ADIDAS,	53
	Graduate	91		REEBOK	51
	Post Graduate	54			

Analysis

Data was analysed using SPSS 20 tool and Regression testing was conducted on the data to test the hypotheses. The results of the study are shown below.

H1: Status consumption positively influence re-purchase intention of branded footwear.

To test hypothesis (H1) regression analysis was conducted to evaluate the positive influence of Status

consumption on re-purchase intention, the relationship between two variables was reflected in an R of +0.37 and adjusted R^2 of 0.13. Approximately 13% of the variance of re-purchase intention was accounted for its linear relationship with Status consumption. The overall regression was significant with $F= 31.624$. The **tables 2 and 3** show the details about the regression model.

Table 2: Correlation and Regression Values of Relationship Between Status Consumption and Re-Purchase Intention

Model Summary				
FModel	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.366 ^a	.134	.130	.78054
a. Predictors: (Constant), SC				

Table 3: Significance of Relationship Between Status Consumption and Re-Purchase Intention

Anova ^a						
	Model	Sum of Squares	DF	Mean Square	F	Sig.
1	Regression	19.266	1	19.266	31.624	.000 ^b
	Residual	124.285	204	.609		
	Total	143.551	205			

H2: Customer satisfaction positively effects repurchase intention of branded footwear.

To test hypothesis (H2) regression analysis was conducted to evaluate the positive effect of Customer satisfaction on re-purchase intention, the relationship between two variables was reflected in an R of +0.486 and adjusted R^2 of 0.236. Approximately 23% of the variance of re-purchase intention was accounted for its linear relationship with Status consumption. The overall regression was significant with $F= 62.939$. The **tables 4 and 5** show the details about the regression model.

Table 4: Correlation and Regression Values of Relationship Between Customer Satisfaction and Re-Purchase Intention

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.486a	.236	.232	.73333
a. Predictors: (Constant), CS				

Table 5: Significance of Relationship Between Customer Satisfaction and Re-Purchase Intention

	Model	Sum of Squares	DF	Mean Square	F	Sig.
1	Regression	33.847	1	33.847	62.939	.000b
	Residual	109.705	204	.538		
	Total	143.551	205			

H3: Gender has an association with repurchase intention of branded footwear.

A 2 X 2 contingency table analysis was conducted to determine whether there was an association between gender and repurchase intention. A non-significant relationship was present with chi square = 10.717, $df = 11$, $p = .467$. The hypothesis that there is a significant association between gender and repurchase intention of branded footwear is rejected. The results of the analysis are shown in table 6.

Table 6: Chi-Square Tests for Gender and Re-Purchase Intention

Chi-Square Tests			
	Value	DF	Asymp. Sig. (2-sided)
Pearson Chi-Square	10.717 ^a	11	.467
Likelihood Ratio	13.923	11	.237
Linear-by-Linear Association	5.143	1	.023
N of Valid Cases	206		
a. 11 cells (45.8%) have expected count less than 5. The minimum expected count is.67.			

It can be analysed from the results that the gender of the buyer makes no impact on the repurchase intention of the product. Thus, managers should design a brand image of the product that is free from any gender bias.

H4: Educational qualification has a link with repurchase intention of branded footwear.

A 2 X 2 contingency table analysis was conducted to determine whether there was an association between Educational qualification and re-purchase intention. A non-significant relationship was present with chi square = 37.942, df = 33, p = .254. The hypothesis that there is a significant link between Educational qualification and re-purchase intention of branded footwear is rejected. The results of the analysis are shown in table 7.

Table 7: Chi-Square Tests for Educational Qualification and Repurchase Intention

Chi-Square Tests			
	Value	DF	Asymp. Sig. (2-sided)
Pearson Chi-Square	37.942 ^a	33	.254
Likelihood Ratio	42.647	33	.121
Linear-by-Linear Association	1.220	1	.269
N of Valid Cases	206		
a. 31 cells (64.6%) have expected count less than 5. The minimum expected count is.39.			

It is seen that educational qualification plays no role in repurchase intention of the products and so it proves that buying such branded merchandise is a very personal decision based on various factors of style and preference.

RESULTS AND IMPLICATIONS

The study found that both status consumption and customer satisfaction have an influence on repurchase intention of the customer while Customer satisfaction has shown a greater impact on the repurchase intention ($r^2=0.236$).

From the above findings, it can be stated that the organizations have to focus on creating verbal and verbal cues to its customers during the buying process instore maintain the quality of the brand. Enough trainings should be provided for enabling the employees providing customer satisfaction at every stage of the buying and post buying process as a satisfied customer will end up buying number of times and would encourage others to do so.

The importance of status consumption should not be forgotten. A brand not only means quality and service to the customers, but also denotes a pride in the social circle. Thus, it is important for the organization's branding managers to develop, enhance and harvest the status image of the brand not only in ad campaigns, but also in packaging, placing, pricing and reaching the end customer.

From the results of the analysis, it is found that the gender of the customer plays no role in creating a repurchase intention. Thus the marketers need not focus much on attracting the buyers according to their sexual category, but design

programs that show similar images to all the sexual categories alike. The campaigns can be unisex focussing on what the product can offer to its buyers rather than to their gender.

The results also found that educational qualification had no impact on repurchase intentions proposing that the intention to repay a product or service has to do more with the personal aspect of the buyer. The preferences and comfort levels of the buyer with the brand and its merchandise is more important than his educational backing. Hence, the organizations can market all the categories if the buyers by campaigns concentrating on personal comfort, preference, and status that their products can offer.

Limitations and Scope for Future Research

- The study limited its scope to only two aspects of repurchase intentions, namely, status consumption and customer satisfaction. Further aspects like loyalty, service quality etc. were excluded from the scope. Future researchers can measure to further understand the customer's repurchase intentions.
- The study uses cross-sectional data for analysis and generalization of results. Longitudinal studies can also be conducted to understand the construct better.
- The scope of the sample was limited to top four branded footwear company outlets in Hyderabad region. A more exhaustive sample can be chosen to further generalize the results.

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